

broker for the reporting or adjustment of any Federal crime insurance claim.

(e) For the purposes of this offer, an eligible agent or broker means an agent or broker who is at the time of making application for the policy and at the time of subsequent renewals, licensed and authorized to act as a property insurance agent or broker with respect to the State where the insured premises are located and who has not been suspended or debarred by the insurer. Such agent or broker is the agent or broker of the insured and is not an agent of the Federal government nor any Federal agency, except as otherwise expressly provided herein. An eligible applicant is one whose premises to be insured are located in a State then currently designated as eligible for the sale of Federal crime insurance in §81.1 of this chapter.

(f) Insureds will be billed directly by the insurer for all installments (including any servicing fee) and renewal payments, and insureds should make payment by check or money order payable to the Federal Crime Insurance Program and mail such payment to the insurer and not to the agent or broker. But, nevertheless, in the event that an insured makes a timely installment payment of the current premium (after the initial payment submitted with the application) to any agent or broker, proof submitted by the insured, the agent or the broker of the timely receipt by the agent or broker may be deemed by the Administrator to be proof of timely payment to the insurer so that the insured will not be penalized because of an error or omission on the part of the agent or broker in forwarding the payment to the insurer.

(g) Neither this §80.4 nor any acceptance of this offer shall be deemed to confer upon any agent or broker any authority to act for, represent, or bind the insurer or the United States except as otherwise expressly provided herein.

(h) Failure of any person to comply with any provision of these regulations may result in the immediate suspension or debarment of the violator from any further participation in the Program.

[45 FR 41950, June 23, 1980, as amended at 47 FR 19348, May 5, 1982; 52 FR 30684, Aug. 17, 1987]

§80.5 Duties of servicing companies.

(a) The general duties of servicing companies shall be as set forth in this §80.5, subject to the provisions of the actual contracts entered into with such companies by the insurer.

(b) Except as otherwise required by their contracts with the insurer, servicing companies shall:

(1) Provide information to eligible property owners and to interested agents and brokers within the servicing area;

(2) Provide crime insurance manuals to eligible agents and brokers within the servicing area;

(3) Supply application forms and notice and proof of loss forms to eligible agents and brokers and to prospective applicants on request;

(4) Maintain, control, and account for applications for insurance received from eligible agents, brokers, and applicants;

(5) Verify the eligibility of applicants for the coverages sought;

(6) Issue policies only on forms prescribed and supplied by the insurer, or else promptly notify applicants (through the appropriate agent or broker, if any) of ineligibility;

(7) Deposit the applicant's premium check in a special bank account. If no policy is issued, refund the amount of the premium to the applicant.

(8) Issue periodic commission payment checks to cooperating agents and brokers;

(9) Provide statistical and accounting records, coding, and reports, in hard copy and machine-readable forms, as specified in the insurer's statistical plan and accounting instructions, and as may be specifically requested by the insurer, all in timely fashion;

(10) Receive, control, and account for all crime insurance claims submitted within its servicing area;

(11) Verify claims data and existence of required protective devices, adjust losses as required by insurer through an impartial selection of adjusters, and promptly pay all valid claims;

(12) Bill policyholders directly at least 30 days in advance of due dates, and send a copy of each premium or renewal notice to the agent or broker of record, if any;

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(13) Periodically obtain updated applications or certifications from insureds for verification and incorporation in statistical and accounting records.

[36 FR 24769, Dec. 22, 1971. Redesignated at 44 FR 31177, May 31, 1979, as amended at 45 FR 41951, June 23, 1980; 54 FR 31681, Aug. 1, 1989]

§ 80.6 Name and address of invoicing company.

The following company has been designated to act as servicing company for the Federal Crime Insurance Program, National Con-Serv, Inc. Written communications with the servicing company should be addressed to: Federal Crime Insurance, P.O. Box 6301, Rockville, MD 20850. The toll free telephone number for the servicing company is 800-638-8780 (policyholder service) and 800-526-2662 (claim inquiries). These numbers serve the continental United States, Puerto Rico and the Virgin Islands, except Maryland and the Washington Metropolitan Area. In the Washington Metropolitan Area call 251-1660. In Maryland, outside the Washington Metropolitan Area, call collect 301-251-1660.

[52 FR 30684, Aug. 17, 1987]

PART 81—PURCHASE OF INSURANCE AND ADJUSTMENT OF CLAIMS

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AUTHORITY: 12 U.S.C. 1749bbb *et seq.*, Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp., p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp., p. 376.

SOURCE: 36 FR 24771, Dec. 22, 1971, unless otherwise noted. Redesignated at 44 FR 31177, May 31, 1979.

§ 81.1 States eligible for the sale of crime insurance.

(a) In accordance with section 1231 of the Act (12 U.S.C. 1749bbb-10a), the Administrator has reviewed the market availability situation in each of the several States to determine whether crime insurance is available at affordable rates either through the normal insurance market or through a suitable program adopted under State law.

(b)(1) On the basis of the information available, the Federal Insurance Administrator has determined that the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and the States set forth in this paragraph have an unresolved critical crime insurance market unavailability problem requiring the operation of the Federal Crime Insurance Program therein as of June 30, 1993.

California	New York
Florida	Pennsylvania
Illinois	Tennessee
Kansas	District of Columbia
Maryland	Puerto Rico
New Jersey	Virgin Islands

(2) On the basis of the information available, the Federal Insurance Administrator has determined that the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands and the States set forth in this paragraph have an unresolved critical crime insurance market unavailability problem which requires the operation of the Federal Crime Insurance Program, therein, as of October 1, 1987. Accordingly, the Program is in operation in the following jurisdictions, as of October 1, 1987.

Alabama	Maryland
California	New Jersey
Connecticut	New York
Delaware	Pennsylvania
Florida	Rhode Island
Georgia	Tennessee
Illinois	District of Columbia
Kansas	Puerto Rico
	Virgin Islands

(c) If any of the States listed in paragraph (b) of this section, after the effective date of this subchapter, adopts a suitable program under State law to